

In Re: Virginia Pretti and Shirley Flint)
Ward 91, Block 65, Parcel 10)
Residential Property) Shelby County
Tax year 2005)

While acknowledging the lack of very suitable comparables, Ms. Brandon maintained that the subject property (as improved) was marketable in its present state. She stood by the so-called "cost value" (\$727,100) generated by the Assessor's computerized mass appraisal system.

Tenn. Code Ann. section 67-5-601(a) provides (in relevant part) that "[t]he value of all property shall be ascertained from the evidence of its sound, intrinsic and immediate value, for purposes of sale between a willing seller and a willing buyer without consideration of speculative values...."

Since the appellants seek to change the present valuation of the subject property, they have the burden of proof in this administrative proceeding. State Board Rule 0600-1-.11(1).

After reviewing all the testimony, photographs, and other evidence of record, the administrative judge is inclined to agree with the appellants that the *houses* on the subject property have little (if any) contributory value. Yet the fact remains that four of the five "similar" land sales (to developers) identified by Ms. Flint brought approximately \$45,000 per acre.³ To be sure, the expense of removing the existing dwellings as well as obtaining sewerage and gas services must be considered. However, in the absence of any independent estimate of such costs, the administrative judge cannot assume that they would exceed the values still reasonably attributable to the tennis court, swimming pool, and outbuildings.

Based on the above considerations, it is respectfully recommended that the property in question be valued at \$603,000 (i.e., 13.4 x \$45,000). The administrative judge accepts the Assessor's present "OBY" value (\$41,590) as the appropriate portion of that amount to be allocated to the subject improvements.

Order

It is, therefore, ORDERED that the following values be adopted for tax year 2005:

LAND VALUE	IMPROVEMENT VALUE	TOTAL VALUE	ASSESSMENT
\$561,400	\$41,600	\$603,000	\$150,750

Pursuant to the Uniform Administrative Procedures Act, Tenn. Code Ann. §§ 4-5-301—325, Tenn. Code Ann. § 67-5-1501, and the Rules of Contested Case Procedure of the State Board of Equalization, the parties are advised of the following remedies:

1. A party may appeal this decision and order to the Assessment Appeals Commission pursuant to Tenn. Code Ann. § 67-5-1501 and Rule 0600-1-.12 of the Contested Case Procedures of the State Board of Equalization. Tennessee Code Annotated § 67-5-1501(c) provides that an appeal "**must be filed within thirty (30) days from the date the initial decision is sent.**" Rule 0600-1-.12 of the Contested Case Procedures of the State Board of Equalization provides that the appeal be filed with the Executive Secretary of the State Board and that the

³The September, 2003 sale of 8925 Macon Road for only \$35,192 per acre appears to be an outlier.

appeal **"identify the allegedly erroneous finding(s) of fact and/or conclusion(s) of law in the initial order"**; or

2. A party may petition for reconsideration of this decision and order pursuant to Tenn. Code Ann. § 4-5-317 within fifteen (15) days of the entry of the order. The petition for reconsideration must state the specific grounds upon which relief is requested. The filing of a petition for reconsideration is not a prerequisite for seeking administrative or judicial review.

This order does not become final until an official certificate is issued by the Assessment Appeals Commission. Official certificates are normally issued seventy-five (75) days after the entry of the initial decision and order if no party has appealed.

ENTERED this 24th day of July, 2006.



PETE LOESCH
ADMINISTRATIVE JUDGE
TENNESSEE DEPARTMENT OF STATE
ADMINISTRATIVE PROCEDURES DIVISION

cc: Shirley Flint
Tameaka Stanton-Riley, Appeals Manager, Shelby County Assessor's Office

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